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ABSTRACT

This document presents findings of a study that reexamined the apparent consensus that real school spending has roughly doubled in the last quarter century. The study examined expenditures for nine school districts in 1967 and 1991, and focused on three measures of spending--shares of total expenditures, shares of net new spending in 1991, and real growth. The study found that while spending rose substantially, the increase was both smaller and more complex than most assume. Real school spending increased by 61 percent from 1967 to 1991, 40 percent less than the real growth conventionally assumed. Only about one-fourth of this increase was directed at "regular education," the traditional school activities whose outcomes can be measured in test scores and graduation rates. The share of expenditures going to regular education dropped from 80 percent to 59 percent between 1967 and 1991, while the share going to special education climbed from 4 percent to 17 percent. Of the new net money spent on education in 1991, only 26 percent went to improve regular education, while about 38 percent went to special education for severely handicapped and learning-disabled children. Per-pupil spending on teacher compensation also grew as a result of more intensive staffing--in particular, the hiring of more resource- and subject-specialist teachers. The findings suggest that reforms are not likely to be well designed if reformers, failing to examine the varied rates of spending growth in education's many programs, assume an unproven collapse in school productivity. One figure and 33 tables are included. (Contains 39 endnotes and 37 references.) (LMI)

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